



August 7, 2009

Board of Governors of the Federal Reserve
20th & C Streets NW
Washington, DC 20551

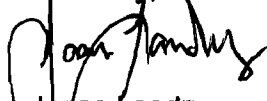
This letter is in response to the provision in the Credit Card Accountability, Responsibility and Disclosures Act of 2009 (CARD Act) that affects open-end credit. This portion of the CARD Act places financial hardships on credit unions that had not engaged in any of the predatory credit card practices that this bill was designed to address.

Neches Federal Credit Union (NFCU) is located in Port Neches, TX and has 33,272 members. We primarily make open-end loans with the exception of real estate loans. We are faced with significant compliance challenges in trying to comply with the requirement that periodic statements be sent 21 days before the payment is due. Every compliance option available involves substantial costs and/or disruptions to credit union operations, the most important being member service.

NFCU open-end loans have various due dates during the month and are setup on payroll deduction or automatic transfers. It would be a disservice to our members for their due dates to be changed to monthly instead of when is it best for them financially and it would require them to sign new loan papers. The credit union's cash flow would be affected significantly if all the payments are due around the same time of the month. An increase in number of periodic statements mailed or the addition of billing notices for each loan will dramatically increase the credit union's mailing and processing costs (approx. \$90,000/yr). The steps that need to be taken to comply with the CARD Act will ultimately have a negative impact on our members.

We ask that you please delay the implementation of the new interim final rule so that credit unions can sort out these complex issues, educate their members on the changes, and allow data processors to make necessary changes to systems. Thank you for your consideration in this matter.

Sincerely,



Jason Landry
CEO/President